

**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

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North Shore Gas Company	:	
	:	
Proposed addition of a new service	:	
called Rider Purchase of	:	
Receivables, (tariffs filed on	:	Docket No. 16-0033
December 18, 2015)	:	
	:	
	:	
The Peoples Gas Light and Coke	:	(Cons)
Company	:	
	:	
Proposed addition of a new service	:	Docket No. 16-0034
called Rider Purchase of	:	
Receivables, (tariffs filed on	:	
December 18, 2015)	:	

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**BRIEF ON EXCEPTIONS OF THE STAFF**  
**OF THE ILLINOIS COMMERCE COMMISSION**

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October 13, 2016

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<b>North Shore Gas Company</b>	:	
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**BRIEF ON EXCPETIONS OF THE STAFF  
OF THE ILLINOIS COMMERCE COMMISSION**

Staff of the Illinois Commerce Commission (“Staff”), by and through its counsel, pursuant to Section 200.830 of the Rules of Practice (83 Ill. Adm. Code 200.800) of the Illinois Commerce Commission (“Commission”), respectfully submits this Brief on Exceptions (“BOE”) to the Administrative Law Judge’s (“ALJ”) Proposed Order (“ALJPO” or “PO”) dated October 6, 2016 in the above-captioned matter.

**I. INTRODUCTION**

Initial Briefs (“IB”) and Reply Briefs (“RB”) were filed on August 30, 2016 and September 8, 2016, respectively, by Staff, North Shore Gas Company (“North Shore”) and the Peoples Gas Light and Coke Company (“Peoples Gas” or “Peoples”) (jointly, “the

Utilities” or “the Companies”); the People of the State of Illinois by Attorney General Lisa Madigan (“AG”); the Citizens Utility Board (“CUB”), and jointly by the Retail Energy Supply Association (“RESA”) and the Illinois Competitive Energy Association (“ICEA”).

As indicated above, the ALJ issued a PO on October 6, 2016. Staff’s exceptions to the ALJPO are set forth below.

## **II. ARGUMENT AND EXCEPTIONS**

### **Staff Monitoring of AGS Supplier Rates and Complaints to Consumers Services**

#### Argument

The ALJPO should be modified to make it clear that North Shore and Peoples Gas are to give Staff access to sufficient billing information so that Staff can review small volume transportation market outcomes to detect if customers are paying higher prices.

Staff witness Dr. Rearden testified that if the Commission is concerned that due to Rider POR some customers might be paying systematically higher prices than sales customers, Staff could monitor the situation. Dr. Rearden noted that since the Utilities are going to collect the bills for participating suppliers, the Utilities will have information on the total bills and volumes paid by customers participating in consolidated billing. (Staff IB, 13.) The ALJPO directs Staff to analyze and report on an annual basis whether Rider POR results in higher prices for customers. However, the ALPO needs to be clarified on the data and information Staff should and can use for its review of market outcomes. In order to most accurately review the effect on market prices, Staff needs to be able to examine customers’ bills. If Staff has that data, it can provide the reports at the level of detail that the Commission appears to desire. As noted by Dr. Rearden, steps must be

taken to protect marketers' competitive information as well as customers' confidential data. (Staff IB, 14.)

Finally, the ALJPO directs Staff to "monitor complaints to the Consumer Services Division as well as the AGS market for activity that could harm vulnerable consumers or constitute a threat to LIHEAP funding" and directs that those complaints in addition to the analysis of whether Rider POR results in higher prices for customers be reported annually to the Commission. Staff has two concerns with the proposed language on this point. First, it is not clear if the ALJPO is directing Staff to report on complaints made to AGS. If that is the intent of the language, then it needs to be modified since Staff would only have knowledge of complaints made to Consumers Services. Second, Staff recommends that to the extent that a consumer complaint(s) made to Consumer Services provides data of market activity that could harm vulnerable consumers or constitute a threat to LIHEAP funding, that it be included in the annual report made by Staff about AGS supplier rates and the rates sales customers pay during each month for each 12 month period rather than a separate reporting by Consumer Services.

Based upon the above, Staff recommends the following modifications to the ALJPO.

Proposed Modification  
(ALJPO, 33-34)

\* \* \*

However, the Commission shares the concerns of CUB and the AG concerning the potential effects on low income and/or credit challenged customers arising from increased or aggressive AGS marketing as a result of Rider POR. The Commission also appreciates the importance of acting quickly to remedy potential abuse of low income and disadvantaged customers. The Commission therefore directs North Shore and Peoples Gas to provide Staff with access to customer data in order to facilitate an annual review by Staff on a monthly basis,

of the individual and aggregate AGS supplier rates that sales customers pay during each month for each 12 month period. Staff shall take measures to protect confidential and competitive sensitive information. In addition, the Commission directs Staff to monitor complaints to the Commission's Consumer Services Division ~~as well as the AGS market for data of~~ activity that could harm vulnerable consumers or constitute a threat to LIHEAP funding. Staff is directed to report to the Commission on the individual and aggregate AGS supplier rates that sales customers pay during each month for each 12 month period ~~these issues~~ annually or more often if merited by market developments. Staff is to include in the annual report any data of market activity which could hurt vulnerable customers or constitute a threat to LIHEAP funding which Staff becomes aware of through complaints made to the Consumer Services Division.

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### III. CONCLUSION

For the reasons set forth above, Staff respectfully requests that the Illinois Commerce Commission approve Staff's recommendations in this docket.

Respectfully submitted,

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